



**THE ATTORNEY GENERAL  
OF TEXAS**

**AUSTIN 11, TEXAS**

**JOHN BEN SHEPPERD**  
ATTORNEY GENERAL

April 6, 1955

Hon. Robert S. Calvert  
Comptroller of Public Accounts  
Austin, Texas

Opinion No. MS-192

Re: Applicability of State admission  
tax to a theatrical performance  
sponsored by charitable hospital  
receiving pay from some patients,  
under Article 7047a-19, V. C. S.

Dear Mr. Calvert:

You request the opinion of this office upon the above captioned matter and we quote your letter as the basis of the facts upon which our opinion is predicated.

"On January 25, 1955, the Hotel Dieu, Beaumont, Texas sponsored the Dublin Players in the play 'Pygmalion' at the Beaumont City Auditorium. In the contract between Hotel Dieu and the Dublin Players it was agreed that the players would put on the performance of 'Pygmalion' for a flat fee of \$1,500.00. The Hotel Dieu received all of the proceeds derived from admissions charged to attend the entertainment.

"It is my understanding that Hotel Dieu is operated by 'The Sisters of Charity of The Incarnate Word of The Diocese of Galveston' as a charitable hospital. The entertainment was sponsored to raise funds to enlarge the hospital.

"In view of the fact that this hospital receives pay from most of its patients, charges are made for drugs furnished to those patients able to pay for them and certain doctors charge fees for their services to most patients, I would like your opinion as to whether or not admissions charged to attend the play 'Pygmalion' are taxable under our Admission Tax Law, (Art. 7047a-19, as amended)."

We are of the opinion that under the express provisions of Article 7047a-19, Vernon's Civil Statutes, "religious, educational or charitable institutions, societies, or organizations" are exempt from the admission tax when all the proceeds inure to such institution's benefit.

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We think under the facts submitted, Hotel Dieu, which we understand is a hospital operated by The Sisters of Charity of The Incarnate Word of The Diocese of Galveston, is a charitable hospital and that it would not be subject to admission taxes in putting on the play "Pygmalion." The fact that it pays a flat fee of \$1,500.00 for this entertainment makes no difference; the fact still remains that no individual connected with the hospital receives any benefit personally and all the proceeds go to the hospital for purely charitable purposes.

Yours very truly,

APPROVED:

JOHN BEN SHEPPERD  
Attorney General


John Atchison  
Reviewer

John Reeves  
Reviewer

J. A. Amis, Jr.  
Reviewer

Robert S. Trotti  
First Assistant

By

  
L. P. Lollar  
Assistant